TOP STRIKE RESOURCES CORP.

Operating as “Vencanna Ventures”
Condensed Interim Financial Statements (unaudited)

Three and nine months ended January 31, 2023 and 2022

(Expressed in Canadian dollars)

Notice

Top Strike Resources’ auditor, MNP LLP, has not reviewed the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)
(unaudited)

As at	Notes		**January 31, 2023**		April 30, 2022
ASSETS					
Current Assets					
Cash and cash equivalents	4	**$**	**5,435,152**	$	6,644,223
Note receivable	5		**3,584,506**		3,073,013
Trade and other receivables			**10,759**		11,078
Prepaids			**-**		16,932
Due from related parties	10		**453,718**		-
			9,484,135		9,745,246
Non-Current Assets					
Deposits			**2,500**		2,500
Equipment			**3,266**		3,997
TOTAL ASSETS		**$**	**9,489,901**	$	9,751,743
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities			**448,112**		333,100
			448,112		333,100
Non-Current liabilities					
Loan	6		**27,255**		27,986
Convertible debenture – debt component	7		**128,567**		110,167
Convertible debenture – derivative component	7		**1,805,148**		2,002,142
TOTAL LIABILITIES			**2,409,082**		2,473,395
SHAREHOLDERS' EQUITY					
Share capital	8		**21,967,258**		21,968,258
Warrants			**4,556,922**		4,556,922
Contributed surplus			**1,885,317**		1,885,317
Deficit			**(21,328,678)**		(21,131,149)
Treasury stock			**-**		(1,000)
TOTAL SHAREHOLDERS' EQUITY			**7,080,819**		7,278,348
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**9,489,901**	$	9,751,743

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.

Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian dollars)
(unaudited)

	Notes	Three months ended January 31 2023	Three months ended January 31 2022	Nine months ended January 31 2023	Nine months ended January 31 2022
Revenues					
Interest income		**$ 143,780**	$ 124,833	**$ 362,068**	$ 480,353
Change in fair market value of investments and financial instruments:					
Unrealized gain/loss on investments, and derivative instruments	**6,7**	**124,420**	(63,070)	**181,392**	316,973
Unrealized gain/(loss) on foreign exch.		**(104,798)**	89,507	**178,700**	157,695
		163,402	151,270	**722,160**	955,021
Expenses					
Office and miscellaneous		**4,434**	2,091	**11,080**	6,857
Depreciation		**227**	263	**731**	796
Professional fees		**29,003**	53,548	**103,475**	157,038
Consulting fees		**-**	-	**144,030**	-
Corporate communication		**15,594**	14,157	**50,065**	47,125
Rent and parking		**8,961**	6,739	**26,993**	20,736
Travel		**3,646**	405	**16,340**	7,704
Salaries and benefits		**149,630**	158,423	**414,199**	423,872
Meals and entertainment		**1,707**	1,006	**7,050**	9,786
Interest and bank charges		**52,466**	38,683	**145,726**	111,183
Share-based compensation		**-**	-	**-**	9,440
		265,668	275,315	**919,689**	794,537
Income (loss) and comprehensive income (loss) for the period		**$ (102,266)**	$ (124,045)	**$ (197,529)**	$ 160,484
Earnings (loss) per share					
Basic and diluted	**9**	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ 0.00
Weighted average number of common shares outstanding					
Basic and diluted		**181,283,390**	181,311,749	**181,283,390**	181,379,336

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.
Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(unaudited)

	Shares outstanding	Share capital	Warrants	Contributed surplus	Deficit	Treasury stock	Total shareholders' equity
Balance at May 1, 2022	**181,283,390**	**$21,968,258**	**$4,556,922**	**$1,885,317**	**$(21,131,149)**	**(1,000)**	**$7,278,348**
Shares cancelled-NCIB	**-**	**(1,000)**	**-**	**-**	**-**	**1,000**	**-**
Loss and comprehensive loss for the period	**-**	**-**	**-**	**-**	**(197,529)**	**-**	**(197,529)**
Balance at January 31, 2023	**181,283,390**	**$21,967,258**	**$4,556,922**	**$1,885,317**	**$(21,328,678)**	**-**	**$7,080,819**

Balance at May 1, 2021	181,411,390	$21,976,797	$4,556,922	$1,879,211	$(20,485,420)	(5,356)	$7,922,155
Share base compensation	-	-	-	9,440	-	-	9,440
Shares held in treasury	-	(5,356)	-	-	-	5,356	-
Shares cancelled	(103,000)	(3,183)	-	-	-	-	(3,183)
Income and comprehensive income for the period	-	-	-	-	164,484	-	160,484
Balance at January 31, 2022	181,991,390	$21,971,441	$4,556,922	$1,888,651	$(20,200,891)	-	$8,216,123

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(unaudited)

	Notes	Three months Ended January 31 **2023**	Three months Ended January 31 2022	Nine months Ended January 31 **2023**	Nine months Ended January 31 2022
Operating activities					
Net income (loss) for the period		**$ (102,265)**	$ (124,045)	**$ (197,529)**	$ 160,484
Adjustments for:					
Interest income		**(113,364)**	-	**(315,870)**	(78,204)
Depreciation		**227**	263	**731**	796
Share-based compensation		**-**	-	**-**	9,440
Unrealized loss (gain) on investments and financial instruments		**(124,421)**	63,070	**(178,594)**	(316,973)
Gain on CEBA loan	6	**-**	-	**(2,798)**	-
Unrealized foreign exchange loss (gain)		**104,797**	(78,644)	**(178,700)**	(181,838)
Loan accretion	6	**706**	680	**2,067**	2,042
Prepaids		**2,812**	(11,149)	**16,932**	(7,123)
Due to from related parties	10	**(389,108)**	-	**(453,718)**	-
Trade and other receivables		**(3,598)**	(1,063)	**320**	(2,069)
Unearned interest		**-**	-	**-**	(12,787)
Accounts payable and accrued liabilities		**44,107**	(28,846)	**103,862**	65,055
		(580,107)	(179,734)	**(1,203,297)**	(361,177)
Changes in non-cash working capital items:					
Issuance of note receivable	5	**(75,000)**	-	**(75,000)**	-
Settlement of convertible promissory notes		**-**	-	**-**	6,838,699
Interest received		**-**	(124,833)	**-**	(353,642)
Net cash from (used) in operating activities		**(655,107)**	(304,567)	**(1,278,297)**	6,123,880
Financing activities					
Purchase of treasury stock		**-**	(3,183)	**-**	(3,183)
Net cash used in financing activities		**-**	(3,183)	**-**	(3,183)
Net change in cash for the period		**(655,107)**	(307,750)	**(1,278,297)**	6,120,697
Exchange differences on cash and cash equivalents		**(36,238)**	-	**69,226**	-
Cash and cash equivalents, beginning of period		**6,126,497**	7,152,389	**6,644,223**	723,942
Cash and cash equivalents, end of period		**$ 5,435,152**	$ 6,844,639	**$ 5,435,152**	$ 6,844,639

See accompanying notes to the condensed interim financial statements.

1. Nature and continuance of operations

Prior to September 24, 2018, Top Strike Resources Corp. ("Top Strike", the "Company") had no activity and had not earned significant revenues. The Company has evaluated several oil and gas as well as other opportunities. The Company had previously focused on international and domestic oil and gas projects but has expanded its scope to consider other industries as well.

On September 24, 2018, the Company announced the completion of a recapitalization financing, the appointment of a new management team and board of directors and commencement of trading on the Canadian Securities Exchange. The transactions have transitioned the Company from an oil and gas issuer to a merchant capital firm, operating as "Vencanna Ventures", and aims to provide capital to early-stage global cannabis initiatives, including state compliant opportunities in the United States.

The Company trades under the symbol "VENI" on the Canadian Securities Exchange and under the symbol TPPRF on the OTCQB Venture Market ("OTCQB"), a US trading platform operated by the OTC Market Group in New York. The Company's principal place of business is located in Calgary, Alberta. The address of the Company's head office is Suite 200, 622 5th Avenue SW, Calgary, Alberta, T2P0M6.

2. Basis of presentation

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. These condensed interim financial statements do not include all the information required for full annual financial statements.

These condensed interim financial statements are stated in Canadian dollars and have been prepared following the same accounting policies and methods of computation as the financial statements for the year ended April 30, 2022 except as specified in Note 3 below. These condensed interim financial statements should be read in conjunction with the financial statements and notes thereto in the Company's annual filings for the year ended April 30, 2022. The condensed interim financial statements were approved and authorized for issuance by the board of directors of Top Strike on March 31, 2023.

Basis of measurement

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for share-based payment transactions, investments, convertible notes, convertible debentures and derivative instruments which have been recorded at fair market value.

(b) Functional currency

The Company's presentation currency is Canadian dollars. The functional currency of the Company is Canadian dollars.

3. Summary of significant accounting policies

Cash and Cash equivalents

Cash and cash equivalents include cash on hand, bank and demand deposits, and treasury bills with an initial maturity of less than 90 days from the date of initial acquisition.

Other than the above the accounting policies used are consistent with those of the previous financial year as described in Note 3 of the Company's financial statements for the year ended April 30, 2022.

(Expressed in Canadian dollars)

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank and demand deposits together with short-term treasury bills with an initial maturity of less than 90 days. They are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Cash at bank and in hand:		January 31, 2023		April 30, 2022
Bank and demand deposits	$	2,435,152	$	6,664,223
Short-term treasury bills		3,000,000		-
	$	**5,435,152**	**$**	**6,644,223**

Bank and demand deposits include $1,019,453 (April 30, 2022 - $1,489,287) held in US denominated accounts.

5. Note receivables

Can-x note

On November 14, 2022, the Company entered into a $75,000 facility loan agreement with CanX CBD processing Corp. ("Can-x"). The interest rate is an annual non-compounded interest rate of 18%. The principal and interest of the note are payable upon maturity.

During the period the Company accrued $2,885 in interest. As at January 31, 2023, the principal and interest balance of the CAN-X note is $77,885.

Cannavative note

On March 11, 2021, the Company entered into a US$2,000,000 facility loan agreement with the Cannavative Group LLC ("Cannavative") to facilitate planned capital expansion initiatives or other uses as agreed by the Company (the "Cannavative Note"). The commencement date of the Cannavative Note was March 19, 2021.

On April 25, 2022, the Company entered into a definitive unit exchange agreement ("Definitive Agreement") with Cannavative, pursuant to which the Company will require all the issued and outstanding membership units of Cannavative in an all-share exchange (the "Transaction"). The Transaction is expected to constitute a "Fundamental Change" pursuant to the policies of the Canadian Securities Exchange (the "CSE") and will be subject to acceptance of the CSE and shareholder approval; the loan is expected to be settled upon closing of the Transaction.

The maturity date of the Cannavative Note has been extended to April 9, 2023, or at any time prior to the maturity date at the borrower's discretion. Interest on the Cannavative Note is 12.5% per annum. Prior to the execution of the Definitive Agreement, the interest rate was 17.5% per annum.

During the period, the Company accrued $110,480 (2022 - $124,373) in interest. As at January 31, 2023, the principal and interest balance of the Cannavative Note is $3,506,621.

6. Loan

On June 6, 2020, the Company received a $40,000 Canada Emergency Response interest free loan to cover operating costs. The loan was offered by the Government of Canada through the Company's bank and is related to the Covid-19 pandemic. The balance of the loan was originally due December 31, 2022, and was extended by one year. The loan maturity date is currently December 31, 2023. Full payment of the loan by the deadline will result in a loan forgiveness benefit of $10,000.

On December 31, 2023, the Corporation has the option to extend the loan for an additional 2 years at in annual interest rate of 5%. In determining the fair value of the loan, the Company used an effective interest rate of 10% and considered the interest free and forgiveness features of the loan.

(Expressed in Canadian dollars)

6. Loan (continued)

The fair value of this loan on the initial recognition date of June 6, 2020 was $22,915. The fair value of the loan as at January 31, 2023 is $27,255. During the period, the Company recorded loan accretion of $706 on the Statement of Income (Loss) and Comprehensive Income (Loss).

7. Convertible debenture

On July 3, 2020, the Company issued a US$1,300,000 convertible debenture maturing July 3, 2022 (the "Debenture"). The Company subsequently extended the maturity of the Debenture to July 3, 2024 The Debenture is currently convertible at the holder's option at a conversion rate of US$0.0435 per common share totaling 29,900,000 common shares of the Company. The Debenture carries an interest rate of 9.6% and is accrued and payable on January 31, April 30, July 31, and October 31 of each year; interest is paid in cash, common stock, a combination thereof, or accrued. The Company may elect to force conversion if the Company's 10-day weighted average closing price of it's common shares traded through the facilities of the Canadian Stock Exchange prior to that date equals or exceeds US$0.075 per common share.

The conversion and debt feature of the Debenture is presented separately on the Condensed Statement of Financial position due to the variability of foreign currency of the settlement feature. The Black Sholes option pricing model is used to value the derivative component up to a maximum value of the Company's forced conversion option. The derivative component is valued upon the initial issuance date July 3, 2020 and at each period end date. The Debenture carries an implied interest rate of 16%.

Convertible debenture		**January 31, 2023**		July 3, 2020
Debt component (US)	**$**	**96,305**	$	1,174,622
Foreign exchange rate		**~1.34**		~1.36
Debt component		**128,567**		1,593,375
Derivative component		**1,805,148**		170,075
	$	**1,933,715**	$	1,763,450

8. Share capital

a) Authorized:
Unlimited number of common shares with no par value.

b) Issued

	Number of shares		Amount
Balance May 1, 2021	181,491,390	$	21,976,797
Cancelled	(183,000)		(8,539)
Balance at April 30, 2022	181,308,390		21,968,258
Cancelled	(25,000)		(1,000)
Balance at January 31, 2023	**181,283,390**	**$**	**21,967,258**

During the year, the Company cancelled 25,000 common shares held in treasury at a cost of $1,000.

c) Warrants

	Number of warrants		Amount
Balance May 1, 2021	117,711,057	$	4,556,922
Expired	(64,148,482)		-
Balance at April 20, 2022	53,552,577		4,556,922
Balance January 31, 2023	**53,552,577**	**$**	**4,556,922**

(Expressed in Canadian dollars)

8. Share capital (continued)

Each whole Warrant entitled the holder to acquire one Common Share as follows:

Number of warrants	Purchase price	Expiry date
31,497,766	$0.06	September 24, 2023
22,054,811	$0.06	October 19, 2023
53,552,577		

The fair value of the Warrants was determined using a Black-Scholes option pricing model using the following assumptions:

Risk-free rate (%)	1.91 – 2.40 %
Expected life (years)	3 – 5 years
Contractual life (years)	3 – 5 years
Expected volatility (%)	100%
Expected dividend yield	-

9. Per share amounts

Basic and diluted earnings per share is calculated based on net loss and the weighted-average number of common shares outstanding.

	Three months ended January 31		Nine months ended January 31	
	2023	2022	**2023**	2022
Income (loss) for the period	**$ (102,266)**	$ (124,045)	**$ (197,529)**	$ 160,484
Weighted average number of common shares:				
Basic and diluted	**181,283,390**	181,311,749	**181,283,390**	181,379,336
Earnings per share:				
Basic and diluted	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ 0.00

10. Related party transactions

During the period ended January 31, 2023, $20,860 (2021 - $5,166) in legal fees were incurred from a law firm at which an officer of the Company is a Partner. As at January 31, 2023, accounts payable and accrued liabilities included amounts payable to the law firm totaling $7,930 (2022 - $Nil).

Convertible Debenture

On July 3, 2020, the Company issued a debenture for US$1,300,000 to Jon Sharun, a director of the Company. During the period the Company elected to accrue US$38,038 in interest related to the debenture (Note 7). As at the end of the period, the Company has accrued $413,869 (US$310,014) to accounts payable and accrued liabilities on the Condensed Interim Statement of Financial Position.

(Expressed in Canadian dollars)

10. Related party transactions (continued)

New Jersey Entities

The New Jersey Entities include TGC New Jersey LLC ("TGC"), CGT New Jersey LLC ("CGT"), and October Gold LCC ("October Gold", collectively with TGC and CGT, the "NJ Entities"). The New Jersey Cannabis Regulatory Commission ("CRC") has awarded TGC a Conditional Class 3 Cultivation and Manufacturing License, and each of CGT and October Gold a Conditional Retail License. A Conditional cannabis license allows the holder 165 days, subject to extension, to secure a site for operations, obtain municipal approval for the cannabis business, and for the license holder to submit its Conversion application to the CRC for their review and final approval for an Annual license. Upon securing the site and municipal approval, the applicant must submit a detailed Conversion Application to the CRC for their review and final approval for an Annual license. It is the Company's intent, but not its obligation, to assist in the development and the operations of the NJ Entities. Amounts spent by the Company to support the NJ Entities will be under financial arrangements typical for businesses of this nature, such terms subject to CRC regulations.

Insiders of the Company, including the CEO; VP Originations; and an independent director, are equity holders of TGC, CGT, and October Gold respectively. Due to the combination of insider ownership interest, the occurrence of transaction activity during the period, and the signing of an operating agreement with the NJ Entities the insiders of the Company are deemed to exert significant influence over the NJ Entities.

During November 2022, the NJ Entities signed their respective shareholder operating agreements. At this time the Company also executed purchase options, at the option of the Company, with the shareholders of the NJ Entities, subject to regulatory approvals and final issuance of a license.

During the period, the Company incurred costs on behalf of the NJ entities for consulting fees, legal and professional fees, and license application milestone bonuses and option agreements. Below is the breakdown of incurred costs by entity:

	TGC New Jersey LLC (TGC)	CGT New Jersey LLC (CGT)	October Gold LLC (October Gold)	Total
Consulting	33,718	-	-	33,718
Legal fees	2,354			2,354
License milestone bonuses	151,300	100,868	100,868	353,036
	$ 187,373	**$ 100,868**	**$ 100,868**	**$ 389,108**

As at January 31, 2023, the due from related parties balance was $453,718; including $251,982 receivable from TGC, $100,878 from CGT, and $100,878 from October Gold.

11. Financial risk management

As at January 31, 2023, the carrying values of cash and cash equivalents, trade and other receivables, prepaids and accounts payable and accrued liabilities approximate their values due to their short terms to maturity.

Financial risks

The Company has exposure to the following risks from its use of financial instruments:

Credit risk

Credit risk represents the risk associated with the inability of a counterparty to fulfil its financial obligations. The Company is exposed to credit risk through cash, trade and other receivables. The cash balance is primarily held in accounts at reputable financial institutions. Trade and other receivables consist of government receivables. The Company does not have significant concentration credit risk from cash, trade and other receivables.

11. Financial risk management (continued)

As at January 31, 2023, the Company is exposed to credit risk of $3,584,506 related to its note receivable balance. This balance is primarily related to the Cannavative non-revolving note. The maturity date is connected to the non-binding letter signed on March 12, 2021 and matures no later than April 9, 2023.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at January 31, 2023, the Company had a cash and cash equivalent balance of $5,435,152 (April 30, 2022 - $6,644,223) to settle current liabilities of $448,112 (April 30, 2022 - $333,100). Historically, the Company's sole source of funding has been the issuance of equity securities for cash, through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) *Interest risk*

The Company is exposed to interest rate risk to the extent that the cash and short-term treasury bills held at its banking institution is subject to floating and fluctuating rates of interest.

As of January 31, 2023, the Company had a note receivable balance of $3,506,621 (2021 - $2,916,208) from an American participant in the cannabis industry. The interest rate on the loan is fixed, and as such, the Company is not exposed to significant interest rate risk.

b) *Foreign currency risk*

As at January 31, 2023, the Company holds a note receivable and has issued a convertible debenture in American Dollars. The Company's objective in managing its foreign currency is to minimize its net exposure to foreign currency cash flows by transacting with third parties in the functional currency when possible. The Company is exposed to currency rate risk from fluctuations in the value of cash, investments, and convertible debentures. The Company currently does not use foreign exchange contracts to hedge its exposure to foreign currency risk.

As at January 31, 2023, a 1% foreign exchange differential in the American Dollar, with all other factors remaining constant, would result in $22,000 change in income (loss).